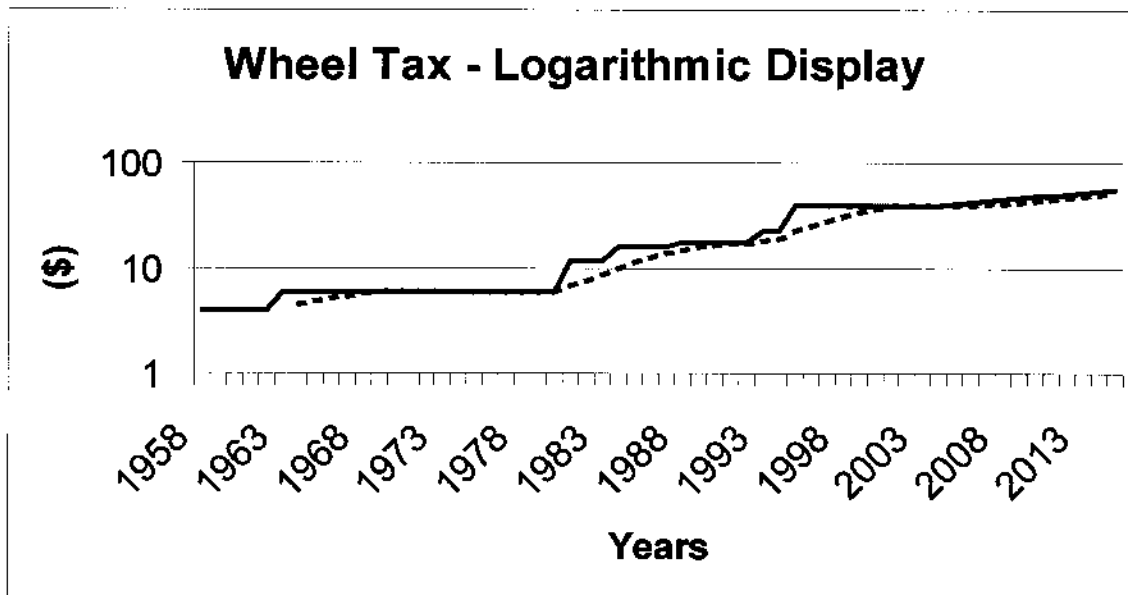


This chart looks at wheel tax using a logarithmic display. Logarithmic charts adjust the display and correct for the inaccuracies. In a typical arithmetic chart, a move from 1 to 10 is dwarfed by the move of 10 to 100. But in reality both represent the same percentage move and in a logarithmic chart each would represent the same distance.



### A little history

From 1958 to 1980 wheel taxes went from \$4 to \$6 dollars. This represents a 1.8% compounded rate of increase. Over the decade of the 80's, Wheel Taxes tripled from 6 to 18 dollars (growing at an 11.6% rate). Then, from 1990 to 1995 wheel taxes went from \$18 to \$39 (which is a 16.7% compounded rate). The overall rate increase for wheel taxes over the entire 45-year history represents a compounded rate of 5.2%. I think that it is fair to assume that much of the voter anger regarding wheel taxes is a result of the rapid increase from 1980 to 1995.

### Gas Tax Revenue

Vehicle Operation: 1998 Passenger Light Medium Combination				
	Cars	Trucks	Trucks**	Trucks
Average Miles Driven	11,725	12,061	12,542	70,009
Average Miles Per Gallon of Gasoline	21.4	17.1	7	6.1
Gallons of gas used per year	547.90	705.32	1,791.71	11,476.89

\*\* Single-Unit 2-Axle 6-Tire or More Trucks on a single frame with at least two axles and six tires

U.S. VEHICLE REGISTRATIONS AND SALES: 1999		
	Number	Percent
Passenger Cars	126,868,744	61.0%
Light Trucks	74,428,531	35.8%
Medium Trucks (Classes 4-6)	2,543,141	1.2%
Heavy Trucks (Classes 7-8)	4,199,984	2.0%
Total	208,040,400	100.0%

If you use the numbers above and exclude medium and heavy trucks from the calculation you get an estimated 200,000 vehicles in the city of Lincoln. Using a 2/3<sup>rd</sup> 1/3<sup>rd</sup> breakdown between "cars" and "light trucks" you come up with an average estimate fuel consumption of 600 gallons per year per vehicle. This means that Lincoln's auto consume 120 million gallons of gas per year. This times a 2 cent per gallon per year city gas tax occupation tax would generate 2.4 million dollars per year in annual tax revenue. On my table, I assumed that revenue from gas tax would start at 2 million; any amount raised above 2 million would cover the cost to collect the tax.

Source: <http://www.aftermarket.org/Masthead/Products/pdf/mini-monitor%202000.pdf>